

Alabama Telecommunications Regulation Plan

Overview of Staff Plan

Part I

BellSouth Price Flexibility Plan

- Competitive Tiers

- Three Separate Tiers (I, II, and III)
- Wire Center inclusion criteria:
 - MSA association
 - Competitive activity
 - Business
 - Residential

Part I

BellSouth Price Flexibility Plan

- Service Categories

- Retail Services

- 1FR/FB

- Basic Vertical Services

- Non-discretionary retail services

- Discretionary retail services

- Interconnection Services

Part I

BellSouth Price Flexibility Plan

- **Tariff Effective Dates**
 - Changes to terms & conditions: 10 work days
 - Price reductions: 5 wd
 - Increases for retail (Basic Vertical & Discretionary), and Switched & Special Access services
 - Tier I: 5 wd
 - Tier II and Tier III: 10 wd
 - Increases for Non-Discretionary Retail Services: 30 wd

Part I

BellSouth Price Flexibility Plan

- Tariff Effective Dates (continued)
 - New Services: 5 wd
 - Grandfather or eliminate services: 25 wd
 - For tariffs that eliminate services, existing subscribers shall have 180 calendar days to switch to alternative services.

Part I

BellSouth Price Flexibility Plan

■ Tariff Suspensions

- Based on Commission initiated investigation:
 - May be suspended for up to 90 days.
- Based on intervention of another party or the filing of a complaint pursuant to Title 37 of The Code:
 - Tariff remains in effect pending completion of investigation and hearing.
 - Refund provisions may apply for up a period not to exceed 150 days.
- Any motion to suspend, for intervention or complaint will enumerate the rules and regulations of The Plan or of Title 37 of the Code of Alabama that have been violated.

Part I

BellSouth Price Flexibility Plan

- Pricing rules for flat rate, 1FR/1FB services
 - Capped for first 2 years.
 - On second anniversary of plan, Rate Groups 1-5 moved to Rate Group 6 price.
 - On fourth and sixth anniversaries, prices may be increased by 5%, not to exceed \$18 for 1FR and \$39.95 for 1FB.
 - Increases only authorized in wire centers compliant with Commission's service quality rules.

Part I

BellSouth Price Flexibility Plan

- Pricing rules for Non-Discretionary Retail services
 - Will NOT be increased at discretion of BellSouth under The Plan.
 - Commission will consider on a case-by-case basis.

Part I

BellSouth Price Flexibility Plan

- Pricing rules for Vertical Services and Basic Vertical Services:
 - Upon implementation, vertical service prices may be adjusted to the maximum rate existing in any one of the BellSouth states (i.e., pick a state not rates from multiple states).
 - Subsequent price increases for Basic Vertical Services may be made on the second, fourth, and sixth anniversary at a maximum of 5% per service.
 - Subsequent price increases for other vertical services in accordance with rules for Discretionary Retail Services.

Part I

BellSouth Price Flexibility Plan

- Pricing rules for Discretionary Retail Services:

- Based on tier assignment:

- Tier I – 15% annually per service
- Tier II – 10% annually per service
- Tier III – 5% annually per service

Part I

BellSouth Price Flexibility Plan

- Contract Service Arrangements
 - Authorized for any product or service in Tier I.
 - Authorized in response to a competitive alternative or other unique circumstances in Tier II and Tier III.
 - Pertinent details provided to PSC and AG staff, within 5 days of effective date, via a secure database.
 - If ever found to be priced below floor, Commission may take remedial action to include suspension of CSA authority.

Part I

BellSouth Price Flexibility Plan

- **Promotions, Customer Value Programs, Marketing Technical Trials & Bundled Services:**
 - Transmittal letter provided NLT 3 wd prior to effective date.
 - Information posted on Company's publicly accessible web pages.
 - May be suspended by the Commission for up to 5 additional days beyond effective date.

Part III

ILEC Price Flexibility Plan

ILEC Eligibility

- 1FR price at implementation no higher than \$16.30 for all wire centers.
- Must waive rural exemption and agrees to resale and unbundling upon request.
- Must offer unlimited usage, extended local calling to communities of interest designated by Commission.

Part III

ILEC Price Flexibility Plan

- Competitive Tiers (Same as Part I)
- Service Categories (Same as Part I)
- Tariff Effective Dates (Same as Part I)
- Tariff Suspensions (Same as Part I)

Part III

ILEC Price Flexibility Plan

- Pricing rules for flat rate, 1FR/1FB services
 - Capped for first 2 years.
 - On second and fourth anniversaries, prices may be increased by 5%, not to exceed \$18 for 1FR and \$39.95 for 1FB.
 - Increases only authorized in wire centers compliant with Commission's service quality rules.

Part III

ILEC Price Flexibility Plan

- Pricing rules for Non-Discretionary Retail services (Same as Part I)
- Pricing rules for Vertical Services and Basic Vertical Services (Same as Part I)
- Pricing rules for Discretionary Retail Services (Same as Part I)

Part III

ILEC Price Flexibility Plan

- Contract Service Arrangements
 - Authorized for any product or service in Tier I.
 - Authorized in response to a competitive alternative or other unique circumstances in Tier II and Tier III.
 - Pertinent details provided to PSC, within 5 days of effective date, for Tiers I and II and 5 days prior to effective date for Tier III.
 - If ever found to be priced below floor in Tiers I and II, Commission may take remedial action to include suspension of CSA authority.
 - Tier III CSAs may be suspended for 10 days.

Part III

ILEC Price Flexibility Plan

- **Promotions, Customer Value Programs, Marketing Technical Trials & Bundled Services:**
 - Transmittal letter provided NLT 3 wd prior to effective date for Tiers I and II and 5 wd prior for Tier III.
 - Information posted on Company's publicly accessible web pages or filed electronically for the Commission to post to its web pages.
 - May be suspended by the Commission for up to 5 additional days beyond effective date.

Part IV

CLEC Price Flexibility Plan

Part IV

CLEC Price Flexibility Plan

- Tariff Effective Dates (Same as Part I)
- Tariff Suspensions (Same as Part I)

Part IV

CLEC Price Flexibility Plan

- Pricing rules for Non-Discretionary Retail services (Same as Part I)
- Pricing rules for Vertical Services and Basic Vertical Services - N/A
- Pricing rules for Discretionary Retail Services (Same as Part I)

Part IV

CLEC Price Flexibility Plan

- **Contract Service Arrangements**
 - Same as applicable ILEC rules.
- **Promotions, Customer Value Programs, Marketing Technical Trials & Bundled Services**
 - Same as applicable ILEC rules.

Part V

Toll Service Provider Streamlined Regulation Plan

Part V

Toll Service Provider Streamlined Regulation Plan

- Tariff Effective Dates
 - 1 work day
- Tariff Suspensions (Same as Part I except that 30-day rather than 150-day window required for elimination of services).

Part II

ILEC Price Cap Plan

Part II

ILEC Price Cap Plan

- Service Categories

- Retail Services

- 1FR/FB

- Non-discretionary retail services

- Discretionary retail services

- Interconnection Services

Part II

ILEC Price Cap Plan

■ Tariff Effective Dates

- Changes to terms & conditions: 30 work days
- Price reductions: 5 wd
- Increases for retail (Basic Vertical & Discretionary), and Switched & Special Access services: 30 wd
- Increases for Non-Discretionary Retail Services: 30 wd

Part II

ILEC Price Cap Plan

- Tariff Effective Dates (continued)
 - New Services: 30 wd
 - Grandfather or eliminate services: 30 wd
 - For tariffs that eliminate services, existing subscribers shall have 180 calendar days to switch to alternative services.

Part II

ILEC Price Cap Plan

■ Tariff Suspensions

- Based on Commission initiated investigation:
 - May be suspended for up to 180 days.
- Based on intervention of another party or the filing of a complaint pursuant to Title 37 of The Code:
 - May be suspended for up to 180 days.
- Any motion to suspend, for intervention or complaint will enumerate the rules and regulations of The Plan or of Title 37 of the Code of Alabama that have been violated.

Part II

ILEC Price Cap Plan

- Pricing rules for flat rate, 1FR/1FB services
 - Capped for first 3 years.
 - Beginning with third anniversary of plan, may be increased by 1% annually, not to exceed \$18 for 1FR and \$39.95 for 1FB.
 - Increases only authorized in wire centers compliant with Commission's service quality rules.

Part II

ILEC Price Cap Plan

- Pricing rules for Non-Discretionary Retail services
 - Will NOT be increased at discretion of the ILEC.
 - Commission will consider on a case-by-case basis.

Part II

ILEC Price Cap Plan

- Pricing rules for Discretionary Retail Services:
 - Beginning with third anniversary not to exceed 2% per service annually.

Part II

ILEC Price Cap Plan

- **Contract Service Arrangements**
 - Authorized in response to a competitive alternative or other unique circumstances.
 - Transmittal letter provided to PSC NLT 10 days prior to effective date.
 - Can be suspended for up to 20 wd pending an investigation.

Part II

ILEC Price Cap Plan

- **Promotions, Customer Value Programs, Marketing Technical Trials & Bundled Services:**
 - Transmittal letter provided NLT 15 wd prior to effective date.
 - May be suspended by the Commission for up to 10 additional days beyond effective date.